

EXHIBIT A

In Re:
RESIDENTIAL CAPITAL, LLC, et al.
Case No. 12-12020-mg

October 10, 2012

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1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

UNITED STATES BANKRUPTCY COURT

SOUTHERN DISTRICT OF NEW YORK

Case No. 12-12020-mg

- - - - -x

In the Matter of:

RESIDENTIAL CAPITAL, LLC, et al.,

Debtors.

- - - - -x

United States Bankruptcy Court

One Bowling Green

New York, New York

October 10, 2012

10:04 AM

B E F O R E:

HON. MARTIN GLENN

U.S. BANKRUPTCY JUDGE

RESIDENTIAL CAPITAL, LLC, ET AL.

24

1 reasonably, the Court is required to approve the
2 settlement, I don't read Iridium that way. I don't read TMT
3 Trailer Ferry that way. I don't read the other cases regarding
4 approval of 9019 settlements that way.

5 It is -- that isn't to say that I would conclude it
6 can't be approved. You seem to be arguing that the Court has
7 no alternative at that point, but to approve it. I don't agree
8 with that statement.

9 MR. PRINCI: Understood, Your Honor. I think the way
10 we -- what the debtors would argue, Your Honor, Iridium stands
11 for, is that --

12 THE COURT: Because -- wait a second --

13 MR. PRINCI: Yes.

14 THE COURT: -- Mr. Principi. 8.7 could be a dollar
15 value within the range of reasonableness, but the other
16 settlement terms may be such that the settlement should not be
17 approved. Okay? I don't know whether that's the case. I'm
18 not making any determination. The parties will lay out their
19 positions. But you shouldn't think you're going to come into
20 the hearing and simply -- because you've asserted this position
21 and you can carry forward with it, if you wish. But it's not
22 my understanding of the law.

23 You've been consistent in articulating the view that
24 the only issue for the Court at the settlement hearing is
25 whether the 8.7 billion dollars is above the lowest point in

RESIDENTIAL CAPITAL, LLC, ET AL.

25

1 the range of reasonableness. I will have an open mind at the
2 hearing. But, you know, I can't count the number of times I
3 have applied the Iridium factors in 9019 motions, and I -- if
4 your argument is that the Court must approve a settlement any
5 time it is above the lowest point in the range of
6 reasonableness, that's not my understanding of the law.

7 That is certainly a very, very important factor, maybe
8 the most important factor. We'll have to see. But if the
9 remaining terms of the settlement are such, for example, if
10 the -- any party that objects were to establish that the range
11 of reasonableness was 3 billion to 12 billion, we settled on
12 8.7 billion, probably higher than we otherwise would have,
13 because of the benefits it confers on AFI, that's going to be
14 an argument I'm going to hear and consider.

15 So I don't doubt, it's a very complex matter. But I
16 just -- the reason I take the time to go through this now is,
17 you've been consistent at every hearing when you've opposed
18 discovery about the negotiations that the only thing that
19 matters at this hearing is whether 8.7 billion is in the range
20 of reasonableness. It's not.

21 MR. PRINCI: Judge, I think I've been consistent, but
22 perhaps not clear. We appreciate the fact that that is one of
23 the factors.

24 THE COURT: We'll both agree on that.

25 MR. PRINCI: Judge, we appreciate that it is a factor.